

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 192037

16

ORIGIN EB-02

INFO OCT-01 ISO-00 EUR-02 /005 R

66610

DRAFTED BY: EB/OA/AVP:CHDUDLEY:EE

APPROVED BY: EB/OA/AVP:DBORTMAN

EUR/GRK-MR GEORGE (INFO)

----- 118635

R 302335Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY BEIRUT

LIMITED OFFICIAL USE STATE 192037

FOR RCAA INFO

FOLLOWING REPEAT ATHENS 6039 ACTION SECSTATE 23 AUG

QUOTE

LIMITED OFFICIAL USE ATHENS 6039

E.O. 11652: N/A

TAGS: EAIR, EINV, EIND, MASS, GR, US

SUBJECT: LOCKHEED REQUESTED TO PROVIDE ADDITIONAL GUARANTIES
FOR HELLENIC AIRCRAFT MAINTENANCE FACILITY

1. LOCKHEED REPS VISITED EMBASSY AUGUST 22 TO REPORT ON
RESULTS MEETINGS WITH HAI (HELLENIC AEROSPACE INDUSTRIES)
NEGOTIATING TEAM COMPOSED OF D. PSILOS, SECRETARY GENERAL,
MINISTRY OF COORDINATION AND MGEN (RET.) MORAITIS, DIRECTOR,
HAI PLANNING STAFF.

2. PSILOS AND MORAITIS INDICATED THAT GOG READY SIGN HAI
CONTRACT WITHIN NEXT TWO WEEKS IF FOLLOWING CONDITIONS MET:

A) INCREASE IN PERFORMANCE GUARANTEE TO COVER 10 O/O
RATHER THAN 5 O/O OF VALUE OF PROJECT (APPROX. \$12 MILLION
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 192037

RATHER THAN \$6 MILLION); LOCKHEED BELIEVES THIS MANAGEABLE IF

CONTRACTOR'S PERFORMANCE BOND, COVERING 100 O/O OF CONSTRUCTION, CAN BE INCLUDED IN VALUATION OF GUARANTEE.

B) LOCKHEED WOULD NOT UNDERTAKE ANY SIMILAR FACILITY IN ANY OTHER BALKAN COUNTRY, INCLUDING TURKEY. LOCKHEED ALSO BELIEVES THIS MANAGEABLE, AS ONLY SLIGHT MANEUVER WITH WORDING COULD ACCOMMODATE LOCKHEED'S POSSIBLE PARTICIPATION IN TURKISH AIRCRAFT MANUFACTURING FACILITY.

C) U.S. GOVERNMENT WOULD GUARANTEE UNCONDITIONALLY THAT IT WOULD NOT INTERFERE IN ANY WAY WITH OPERATION OF CONTRACT DURING FIRST EIGHT TO TEN YEARS, AND LOCKHEED WOULD FOREGO USE OF FORCE MAJEURE AS ARGUMENT TO PREVENT POSSIBLE FORFEITURE OF ITS GUARANTEE.

3. LOCKHEED REPS REALIZE THAT USG GUARANTEE REQUESTED IN THIRD CONDITION NOT POSSIBLE. EMBASSY BELIEVES, HOWEVER, THAT STATEMENT ISSUED IN LIEU OF USG GUARANTEE BY APPROPRIATE U.S. AUTHORITY, TRANSMITTED BY EMBASSY, MIGHT BE ACCEPTABLE TO GOG IF IT CONTAINS FOLLOWING THREE POINTS:

A) FMS FINANCING ALREADY OBLIGATED;

B) EXPORT APPROVAL GRANTED FOR ALL ELECTRONIC AND STRATEGIC ITEMS;

C) USG LOOKS WITH FAVOR ON HAI PROJECT.

4. ACTION REQUESTED: EMBASSY REQUESTS IMMEDIATE GUIDANCE ON WHETHER SUCH STATEMENT COULD BE ISSUED AND APPROVAL AS TO CONTENT. LOCKHEED COULD THEN TEST GOG REACTION.

TASCA

UNQUOTE INGERSOLL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRCRAFT SALES, NEGOTIATIONS, CONTRACTS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: martinml
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE192037
Document Source: CORE
Document Unique ID: 00
Drafter: EB/OA/AVP:CHDUDLEY:EE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740242-0622
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974082/aaaaably.tel
Line Count: 94
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAY 2002 by boyleja>; APPROVED <12 MAR 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LOCKHEED REQUESTED TO PROVIDE ADDITIONAL GUARANTIES FOR HELLENIC AIRCRAFT MAINTENANCE FACILITY
TAGS: EAIR, EINV, EIND, MASS, GR, US, LOCKHEED
To: BEIRUT
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005